



FISCAL MEMORANDUM

HB 1270 - SB 1274

March 28, 2023

SUMMARY OF BILL AS AMENDED (006862): Expands the purpose of community corrections to include providing community-based supervision. Prohibits the Department of Correction (DOC) or another state agency from penalizing, financially or otherwise, an organization under contract with a governmental entity that is providing community-based supervision for offenders. Effective June 30, 2023.

FISCAL IMPACT OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 40-36-304(d), funding for community corrections programs is granted to counties on the basis of a documentation of local need, together with consideration of whether the local community corrections advisory board's community corrections plan, including budget requests, the geographical and program considerations of the state and funding availability.
- Pursuant to Tenn. Code Ann. § 40-36-304(c)(1), funding is granted on an annual basis, with the disbursement of funds on a quarterly basis at the beginning of each quarter after the submission and approval of an expenditure monitoring report and program monitoring report. At the end of the fiscal year, any unspent moneys by the program are required to be returned to the DOC to be used for reallocation to other programs administered by the DOC; provided, that counties are eligible to apply for any unspent funds that exist at the beginning of the fourth quarter.
- The current community corrections grant contracts do not include community-based supervision as a standalone service. The total grant awards in FY22-23 were \$13,954,667 with an estimated \$411,750 in grantee participation and state grant funds of \$13,542,927 (this amount includes \$339,363 in reported grant funds that were not accepted by the grant awardee).
- In addition to the grant awards, the DOC also paid additional transition extension funds to grantees of \$719,857 resulting in total state expenditures in FY22-23 of \$14,262,784 (\$13,542,927 + \$719,857).
- The last full fiscal year community-based supervision was included in grant contracts was FY21-22. The total grant awards were \$14,429,886 with \$13,755,021 in state funds and \$674,865 in grantee participation.

- To include community-based supervision into the community corrections grant program, there will be changes to the overall services each community corrections grant awardee provides.
- Since the state portion of the FY22-23 grant awards expended were more than the FY21-22 state portion of expenditures, it is assumed community-based supervision can be returned to the community corrections grant program without a significant fiscal impact to state expenditures (\$14,262,784 FY22-23 state portion - \$13,755,021 FY21-22 state portion).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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